

VZCZCXRO1130

PP RUEHAG RUEHAST RUEHBW RUEHDA RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA
RUEHLN RUEHLZ RUEHPOD RUEHROV RUEHSR RUEHVK RUEHYG
DE RUEHRK #0093 1431656
ZNR UUUUU ZZH
P 221656Z MAY 08
FM AMEMBASSY REYKJAVIK
TO RUEHC/SECSTATE WASHDC PRIORITY 3658
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHKK/ARAB ISRAELI COLLECTIVE

UNCLAS REYKJAVIK 000093

SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: [PREF](#) [PGOV](#) [PHUM](#) [UNHCR](#) [KPAL](#) [SY](#) [IZ](#) [IC](#)

SUBJECT: ICELAND: PALESTINIAN REFUGEE ADMISSIONS REVEAL DISCORD,
AMBIVALENCE

11. (U) Summary: Iceland's recently-announced plan to accept 30 Palestinian refugees has sparked new debate on societal tolerance of immigrants and again revealed deep divisions in the Liberal Party. Meanwhile, the town of Akranes, just outside Reykjavik, is poised to accept the refugees despite a loosely-organized petition drive opposing the plan. End Summary.

12. (U) On May 6, the Icelandic Government approved a proposal by the Icelandic Refugee Council to offer asylum to up to 30 Palestinian refugees in Iceland. The refugees would fulfill Iceland's UNHCR referral quota of 25-30 refugees a year. The group is made up of single mothers and their children currently staying in the Al Waleed refugee camps close to Iraq's border with Syria. As part of its proposal, the Refugee Council asked the government of the western Iceland town of Akranes if the town would be interested in receiving the refugees. On May 19, the town council decided unanimously to start talks with the Ministry of Social Affairs on receiving the refugees.

13. (U) The Refugee Council's proposal immediately sparked debate within the Akranes branch of the Liberal Party (LP), which is part of the governing majority on the town council. Magnus Thor Hafsteinsson, the national LP Deputy Chairman and the party's first alternate town councilor in Akranes, opposed the reception of the refugees on several grounds. He said that the inhabitants had not been previously informed of the possible arrival of the refugees, and he also stated that the town was already short of funds to tackle an increase in the town's own social problems. In response, on May 14 the LP's sitting town councilor, Karen Jonsdottir, left the party, citing her disagreement with Hafsteinsson's remarks. Jonsdottir switched ranks to the Independence Party (IP), giving the IP a single-party majority on the council.

14. (U) The refugee issue has sparked a debate in Akranes and divided the town into two opposing camps. The opponents have even started a signature petition in the town against receiving the refugees, though the town council has been dismissive of what appears to be a poorly-organized effort. This is the first time that refugee admissions have generated such a strong reaction in Iceland, despite the fact that the majority of the 227 refugees settled in Iceland since 1996 have also gone to smaller towns rather than Reykjavik and suburbs.

15. (SBU) Comment: The signature petition and Hafsteinsson's comments are characteristic of growing xenophobic tensions in Icelandic society. Iceland's extremely low unemployment and need for foreign labor means this friction cannot be ascribed to frustrated Icelanders' losing jobs to foreign immigrant labor. Rather, this appears to be a function of a homogenic society -- dating from the original Viking Age settlement -- coming into more frequent contact with other cultures, people of different skin color, and new residents who speak languages not understood by native Icelanders. This is also the first time Iceland has agreed to accept refugees from the Middle East, an element which may be causing further discomfort.

¶6. (SBU) Comment, cont'd: Additionally, Hafsteinsson seems to be making another run at trying out a nationalistic plank for the Liberal Party platform. His previous attempt just prior to the 2007 parliamentary elections gave the LP a short-term boost in polls but failed to bring long-term success as all other parties publicly announced they would not join a government coalition with the LP. In the end, the LP took just five percent of the vote nationwide. However, if Iceland's recent economic troubles worsen and unemployment becomes a significant problem, Hafsteinsson may find more fertile ground for his efforts.

VAN VOORST